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## CONGRESSIONAL RECORD — APPENDIX

September 23

We applaud the President for going directly to the country in this fashion. He has left no doubt in anybody's mind that in his view the national welfare demands passage of the tax bill for economic health, as it demands ratification of the test ban treaty for the cause of peace. If the country agrees with him, as we believe it does, then the people should let Congress know how they feel.

### Russian Defector Gives Witness to the Effectiveness of the Voice of America

#### EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 3, 1963

Mr. REUSS. Mr. Speaker, the testimony of a Russian defector before the House Committee on Un-American Activities last week produced very heartening evidence of the effectiveness of the Voice of America. The account of the defector's appearance follows:

[From the Washington (D.C.) Evening Star, Sept. 19, 1963]

#### RUSSIAN SHIP JUMPER HAILS VOICE PROGRAMS (By Robert K. Walsh)

A Russian seaman who defected to the United States told a House committee today he was influenced by Voice of America broadcasts and books about this country.

A resident of Washington for the last 3 months and an English-language student at Georgetown University, Vladislav S. Tarasov related how he jumped from a Soviet tanker in a Calcutta harbor last November and swam to a nearby American ship to ask political asylum.

Testifying before the House Committee on Un-American Activities, in calm contrast to uproarious sessions last week on the Cuban visit of a U.S. youth group, the 25-year-old witness gave this basic reason for leaving Russia:

"In 1961 and 1962, I began to feel that in the U.S.S.R. I was only a grain of sand in a desert which at any moment could be blown anywhere by the wind of the dictatorial powers. All my life I had been dependent on the whims of other people.

"We had to defend and promote the bureaucratic directives and explain the party line to the masses. That meant we must lie out of fear of losing our means of livelihood and even physical freedom."

He said that during those years he had a chance to listen to some Voice of America broadcasts and read Russian translations of several books including works by Theodore Dreiser, Mark Twain, and Jack London.

"I came to understand that America is the leading country of the free world," he said. "I became convinced that people there really are equal under the law and that each person is able to build his own life without directives from above."

Committee members complimented him on his progress in learning English. He had to confer occasionally with an interpreter but seldom hesitated in answering questions.

Committee Chairman WILLIS, Democrat, of Louisiana, said Mr. Tarasov was a good example to others in Communist-controlled countries. He said other Russians "would have no reason to worry about the reception they will get if they come to the free world; so long as they meet all proper screening requirements."

Mr. Tarasov told how he was held in custody by authorities in India after leaving the

Soviet ship, but was released after a "thorough investigation and very democratic court proceedings."

He said the Russians accused him of having stolen money from the tanker but produced no witnesses or documents to back up the charge.

Mr. Tarasov said he was not a member of the Communist Party although he had to join a Communist youth organization to attend a nautical school to study electrical engineering. He added that he apparently was under suspicion for some time on Soviet ships because he once found a ship's political officer searching his room.

### Has the Soviet Union Already Set Us Up for the Kill?

#### EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1963

Mr. ALGER. Mr. Speaker, how far has the Kennedy administration already committed us to the Russian point of view regarding disarmament? This is a question, it seems to me, that should be answered.

On the one hand we are told by the President that approval of the test ban treaty will not mean a lessening in our preparedness. Then we learn that approaches have already been made for high-level discussion with Khrushchev on additional steps to bring about disarmament. The President seeks joint United States and Soviet Union exploration of the moon, but makes no demands that Russian troops get out of Cuba.

Truly, the administration follows a strange and fearful course and seems undismayed that the Communist conspiracy grows in aggressiveness and the United States continues to suffer defeats in Laos, Vietnam, and other areas of the world from Communists. If the administration, of itself, cannot muster the courage nor the understanding to protect the security of the United States, then Congress can do no less than to arouse the American people to the danger of inaction.

In this spirit I would like to include two articles. One, a column by Dr. Robert Morris as a part of his regular feature, "Around the World," and second, an interview from U.S. News & World Report of September 30 with Dr. Zbigniew Brzezinski, an authority on Communist affairs, "Has Khrushchev Changed His Ways?"

The articles follow:

HERE WE GO AGAIN

(By Robert Morris)

The Soviet Union's invitation to President Kennedy to meet Premier Khrushchev in Moscow next year to negotiate a treaty "for general and complete disarmament" points up how fast we are now moving. This comes even before the "annex" of that agreement, the test ban treaty, has been ratified by the Senate.

This move also comes just after we have been assured that we will not disarm and after we have received specific assurances that we will test underground to the limit

of the treaty, maintain an apparatus to test in the atmosphere, if necessary, and to maintain monitoring safeguards. Just watch those melt away as we go step by step toward what is euphemistically but erroneously called "disarmament."

Prime Minister Lester B. Pearson of Canada is performing his predicted role of speeding up the process. After the opening of debate at the General Assembly of the U.N. he said:

"The Secretary General in a recent speech has emphasized the advantage it would be 'if countries would in their national military planning make provision for suitable units which would be made available at short notice for U.N. service and thereby decrease the degree of improvisation necessary in an emergency.'

"My own country now maintains forces, trained and equipped for the purpose, which can be placed at the disposal of the United Nations on short notice anywhere in the world."

As the test ban treaty thus blends into the disarmament discussions, we are being treated to the spectacle of top military men, and now Senators, one after another, make the statement that the treaty contains military risks—serious risks—but that since the United States has committed itself on the world forum, a vote against the treaty would cause harm in the eyes of the nations of the world, yearning for peace. That was the conclusion of Gen. Curtis LeMay. It is the position of a number of Senators. The man responsible for 90 percent of the strategic striking force of the country, Gen. Thomas Power, goes further. He is flatly against the treaty. So is General Schriever who is responsible for most of our advanced weapons system. Even the so-called loss of face to the Nation cannot offset their professional and competent judgments.

But let us look how we got into this unenviable position in the first place. Averel Harriman went to Moscow in July to negotiate the treaty. After a series of spectacular but apparently unprofessional meetings marked by our Mr. Harriman and Khrushchev embracing each other before the eyes of the world, we heard that a treaty was negotiated. No one knew what was in it except we did learn that the right of inspection, which our President had earlier insisted was indispensable, was quietly surrendered by us.

After it had been negotiated, we learned what was in it. It contained ambiguities and legal inconsistencies. The wording of the treaty forbidding "any other nuclear explosion" was directly opposite to the interpretation of the treaty sent to the Senate by Under Secretary George Ball, which did in fact allow for other explosions. Even the State Department admitted legal inadequacies in the wording.

But then other nations—more than 90 at this writing—began to sign, many on the basis that the United States had done so.

The fact of the matter is that the Senate is presented with an accomplished fact. The spirit of the Constitution is clearly thwarted. Here is what it says: article II section 2, paragraph 2.

"He (the President) shall have power by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur."

Not only has the Constitution been violated but the pressure campaign waged on each Senator who had recognized the dangers, has been a trial run for the next round of the disarmament treaty.

Analyzed now, the disarmament treaty we have already offered, does not provide for disarmament at all. Walt W. Rostow, our Chief Policy Planner, has spelled it out for us. He has written that "disarmament is an American interest to the same degree as nationalhood as it has been a Soviet interest."

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In this instance, if the Government reduces taxes while it has a \$9 billion deficit (or more) that \$9 billion must be taken out of the hide of the economy in some other fashion. In practice the Government will simply print up 9 billion paper dollars. The resulting inflation will take back from the people the relief which the Government professes to give by lower tax rates.

Moreover, it is not true that every tax bill that offers lower rates is all to the good. Individual parts of the bill itself cannot be taken as isolated, piecemeal moves. And the whole of this particular tax bill is by no means an unqualified boon to the public weal.

For example, it is wrong to imply that every wage-earner and every businessman will find his taxes lower as a result of this bill. The effect of the changed rules on the particular situations of some people will be increased taxes. What is true is that something like a million taxpayers will be removed from the Federal tax rolls entirely.

This, no doubt, is a political blessing for these million voters. But it is no boon for the country. First of all it is this total forgiveness of some taxes that accounts for the greater part of total revenue loss to the Government. More importantly, it means that some million or so citizens, reaping the benefits of Government, will contribute nothing toward its support. So they will hereafter be little concerned whether the cost of that Government be high or low. A worse example of irresponsible politics would be hard to find.

It is all these things—and not the desirability of lower taxes—that is at issue. And it is all these things—and not a whimsical desire to continue higher taxes—that impels the Republican Members of the House to link the tax bill to the achieving of curtailed spending. They would make tax cuts dependent upon next January's actual budget.

President Kennedy, let it be said, is not unmoved by these arguments. That is why he has now pledged a tighter rein on Federal expenditures, reducing his deficit estimate for the current year and promising to keep next year's deficit to a handful of billions instead of bucketfuls. He has even pledged a course leading eventually to a balanced budget.

We are not unmoved either by these welcome assurances. But unfortunately such Presidential pledges have themselves been devalued by inflation. President Truman and President Eisenhower both spoke of their devotion to fiscal responsibility; neither achieved it. Indeed, the grave threat to the dollar which now so harasses President Kennedy is largely a heritage of such broken pledges, both those of his predecessors and his own.

So if there is a certain cynicism in the Congress, that is understandable. And if there is an effort to forge some solid link between tax reduction and spending reduction, that is desirable. For the real cause of the country's economic problems, including the shameful plight of the U.S. dollar, is not just the years of high taxes but the wasted years of almost total economic irresponsibility.

Curing that—not piecemeal tinkering—is the Nation's truly urgent need.

### Editorial Comment on the President's Tax Bill

#### EXTENSION OF REMARKS OF

**HON. THOMAS B. CURTIS**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 23, 1963

Mr. CURTIS. Mr. Speaker, under leave to extend my remarks I would like

to insert in the Appendix of the Record two editorials. The first appeared in the September 20, 1963, issue of the St. Louis Globe-Democrat and is entitled "Political Tax-Cut Plea" and the second is from the St. Louis Post-Dispatch of September 19, 1963, and is entitled "Directly to the People":

[From the St. Louis Globe-Democrat, Sept. 20, 1963]

#### POLITICAL TAX-CUT PLEA

The President has made a glittering appeal, over the heads of Congress, for passage of his \$11 billion tax reduction scheme. It was quite a show of political paternalism from the great White House father. Who doesn't hate taxes?

Nothing could be finer in the state of federalia than to dangle a mouth-watering tax cut before voters on the eve of a national campaign.

Mr. Kennedy may have been convinced of his arguments, but his speech was, from the standpoint of economics, as phony as a \$3 bill.

Any intelligent person, and he doesn't have to be an economist, will concede that Federal taxation is too high. It throttles incentive, has critically handicapped renewal and modernization of the Nation's industrial plant. It oppresses all of us individually.

The economic structure needs a slash in national taxes. But such a move, without corresponding cuts in Federal expenditure, or at least without a sure curb against increased Federal spending, is irrational, dangerous, and fiscally profligate.

It would mean new seas of red ink, which already have spread out of all reason. We now pay about \$10 billion a year just for interest on the Federal debt.

It would mean that in addition to the \$19 billion of public debt the Kennedy administration has already rolled up the last 3 years, the President's tax knife, plus his plans for bigger spending, would add another \$50 billion to the debt, according to the Republican minority report of the House Ways and Means Committee.

We are for tax cuts. Who isn't? But downward adjustment of wartime income levies should be welded to curtailed expenditures, an end to the prodigal spending conceits of the New Frontier.

Mr. Kennedy said: "We have placed an ever tighter rein on Federal expenditures, limiting our outlays . . . spending will be controlled and the deficit reduced."

Yet Mr. Kennedy and his administration have measures in Congress for public aid to education which would cost \$2.5 billion in about 3 years; for "medicare," estimated to run \$1.3 billion a year in new taxes; a mushroomed Area Redevelopment Agency budget of \$650 million for "distressed" sectors, many of which don't need Washington handouts at all; for the useless, costly "Domestic Peace Corps."

The President made his tax plea on the eve of departure for a "nonpolitical" tour of some 12 States, where Interior Secretary Udall is pushing Federal power grid projects estimated at \$2,548 million of national tax funds; Civilian employees of Washington Government are steadily increasing.

About the only Federal purileu showing some effort at economizing is the Defense Department. There is room in Defense for squeezing out fat, but this is obviously the area of Government that needs maximum fiscal support more than any other.

Probably, as the President argues, a tax reduction can spur industrial expansion to provide more jobs; unemployment is indeed a critical problem. But what profit to workers or to the Nation, if new spending—piling debt on debt—inflates the dollar and robs the people of purchasing power?

There is no magic about Washington's big brother profligacy, in the name of social wel-

fare. There is never a dollar spent by Government that doesn't come out of taxpayers' pocketbooks. If not paid by us, the dollars must be paid with egregious interest by our children and grandchildren—or the Nation plummets in a financial debacle.

Mr. Kennedy was right when he said "the Nation needs a tax cut now." It needed one in 1960, 1961, and 1962. Even before. But it is utterly foolhardy to make such reductions without halting the free-handed spend proclivities of the Washington establishment.

Federal fiscal policy cannot be evolved by rubbing an Aladdin's lamp with a gleaming eye on election returns.

The sooner the public becomes closely aware that you cannot get something for nothing—from the clan or any socialistic junta in Washington—the sounder our economy will become.

Let's have tax cuts, and "now." But they must be tied in fully with reduction, at least a hard ceiling, to bar Federal overspend manias.

[From the St. Louis Post-Dispatch, Sept. 19, 1963]

#### DIRECTLY TO THE PEOPLE

President Kennedy's television address Wednesday evening was a strong appeal, not only for passage of the tax reduction bill, but for rejection of efforts to saddle it with unwise restrictions on Federal expenditures. Both objectives are essential, we believe, to the Nation's economic health.

It is easy to denounce the fiscal immorality of reducing taxes without also reducing expenditures, but the urgent problem of increasing our economic growth rate cannot be solved by such a simple resort to slogans. Tax reduction is needed because all recent experience demonstrates that the present level of taxation acts as a brake on economic expansion at a certain stage of the business cycle.

Just as the built-in stabilizers of social security outlays, unemployment insurance, and the like cushion and retard excessive contraction of the economy in a recession, so the tax structure in every recent recovery period has damped down expansion well before the point of full employment was reached. Hence, the paradox of persistent unemployment and pockets of poverty in an affluent society—a paradox which must be dealt with.

Passing the tax cut but hobbling fiscal policy with arbitrary limits on Government spending would be unwise for two reasons. It would disrupt the orderly operations of Government, and it would reduce the economic effectiveness of the tax cut.

Congress possesses full power to limit Federal expenditures by limiting the appropriation of funds; to appropriate the funds but then require the administration to stay within an overall spending limitation would require the meat-ax slashing of all programs, regardless of merit or their importance to vital national responsibilities. The time to balance the budget is after the tax cut has helped to expand the economy, thereby expanding the tax base. To attempt a balance prematurely would be to create purchasing power with one hand and deplete it with the other.

As President Kennedy emphasized, this does not mean adopting a policy of deliberate waste or profligacy. His endorsement of the statement of intent written into the tax bill by Representative McNichols commits him to an eventual budget balance and reduction of the public debt. But the goal must be a balanced budget in a balanced full-employment economy. To strive for the first without taking the necessary steps to establish the second is, as all our postwar experience proves, an exercise in futility; for unless the economy can be made to grow at a satisfactory rate, not even the best of intentions will balance the budget.